App F IX 4

1951-52
( )
ML

File No 92-51
49 51
Serial Nos 92-51
75 79

Previous Peferenc s

ML 68-36 (67, 91, 94)
ML 59-47 (36, 37)

Later Peferences

GENERAL AND REVENUE SECRETARIAT

Serial Nos Two Three

Part B for Oct/r 1954

SUBJECT

Protection of octroi duty on petrol in Whitefield - Town Municipality -

915
E

To The Assistant Collector of Octroi
Belgaum

L. 7296 D 4/10/54

E. Asst
20/10/54

7730/ml

Abolition of octroi duty on petrol in Chitaldrug Town Municipality

Letter No C12 dated 6th Feby 1951 from Burmah Shell Oil Storage & Distributing Co. of India, requesting to abolish the levy of octroi on petrol levied in the Chitaldrug Town Mlty

1) In May 1937 it was definitely ordered that the levy of octroi on petrol be abolished in all the Mlties in the State, wherever it is in force, with effect from 1st July 1937

Hag T.

2) The decision was arrived at after considering the question in greater detail

3) The proposal of the Chitaldrug Town Mlty to levy octroi on petrol at two annas per gallon, among other things was sanctioned in March 1948 This was sanctioned

Abolition of octroi on petrol in the Chitaldrug Town Mlly 7730/mg

on the ground that the Chitaldrug Town Mlly had to meet its expenditure on drainage and water supply schemes

4) The authorities of the Burmah oil Co now state that the levy of octroi on petrol in the Chitaldrug Town Mlly is contrary to the provisions of the GO dated 21-28th May 1937 and request the abolishion of the same

5) According to provisions of the GO dated 21st-28th May 1937, the Hqr T request of the above Co seems to be reasonable

6) Subd for orders

7) Is there no mode of the G O subsequently Hqrs MS 9/3

8) There appears to be no such GO 4/3/48

9) In the face of the GO dated 28th may 1937 directing the abolition of the levy of octroi duty on petrol in all the municipalities it is not known how the D C Chitaldrug recommended the levy of as 2 on petrol per gallon in his letter dated 26 1 1948 which led to the issue of the GO of 31 3 48 sanctioning his recommendation

10) The DC may be asked to send a report on the

Hm 22/2/51 HM 23/V

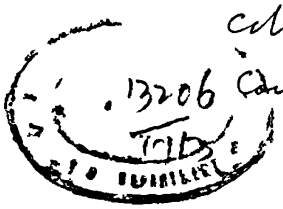
7730/Rel

Abolition of the levy of octroi on petrol in Chitaldrug Mly

representation together with a copy of the resolution of the Municipality

11) The Company also urges for the refund of the amount collected by the mly from their petrol dealers from 1st July 48 contrary to the G O dated 28th may 1937

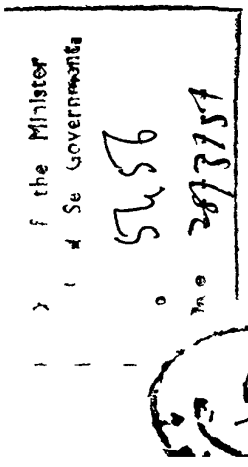
L S G Secy) MS 17/8/51



(2) It is certainly a pity that when the proposal made by the Chitradurga Municipality to levy inter alia octroi duty @ 0 2 0 per gallon on petrol was put up for orders the attention was made to the order of Government dated 28/5/37 (Plan see Collection Notes below) & 1937, however, the fact remains that Govt have sanctioned the levy of the duty there can be no question of refunding the duly legally levied But in view of the General Considerations urges in the G O of 1937 which holds good (with increased force) today, the levy may now be directed to be discontinued

Yss 26 3 '51 MS 27/3

H m d S G



(3) To discuss

Rew 3/4

21/3/51 14) MS 31/3

15) Personal Instructions recd from the Secy to day

I A reply shd be sent to the Co on the following lines

I The Contentions refd to in their letter dy 6 2 51 are being exd

II The Qn of refund does not arise as the octroi was levied on petrol by the mkt after obtaining orders of Govt for the levy

Put up a draft reply at once

MS
14/4

(16) Whether there is provn in the New Act for the levy of octroi on petrol has to be exd

MS
14/4

17) A draft letter is put up

JM
16/4/51 JA

To

18) Issue & resubmit MS 16/4

The Burmah Shell, Belgaum,

No L361/18-4-1951

Informs that the question is under examination

18/19) Spl offices m t L) MS 25/4

19/20) The news from Delhi B.M 1951 levy - for 28/4/51
not yet been promulgated into Law as an act
its enactment may be awaited

Proposal with reference to Burmah Shell & Esso Regd) Asst Secy M.L. Branch) for 4/5/51

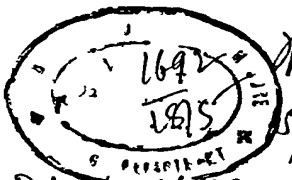
Levy of octroi duty on petrol in the Chitaldrug Town Municipality

7730/ML

It is ascertained that provision has been made in the new Act to levy octroi duty on petrol at the rate of two annas per gallon, but it has not been enacted yet

Subd with reference to para 16 supra

2/ For perusal Refce para 16
L S & Secy) MS 17/5-

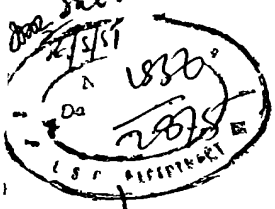


Dom 16/5-
MS 15/5/57

Put up after the 25th inst
MS 22/5

2/ For orders Refce paras 12 & 13

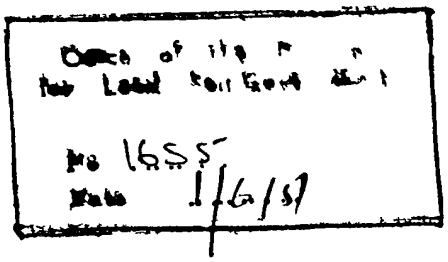
Subd 21/5/57



Revd 24/5

Minister 23/ I approve of the draft
MS 30/5/57

24/ This may be put up again after the new Act comes into effect



OR 29/6/57

MS 2/7

OR 4/7

25/ Advise reply to the Corpn Dy Secy with refce to para 23 supra

Pose 5/7

Dsee 4/7

Levy of octroi duty on the petrol in the Chitradurg town municipality.

Do

The Burmah Shell
Oil Storage & Distribution Co of India
Bungalow No 51
Belgaum,

Sir's A'
21/7/

Replyed No L 3524/M1 92 5
" 13 7 5

2b) The TM Act of 1951 has come into force on 6.7.51. This Act provides for the levy of octroi duty on petrol the maximum rate being 2 as per gallon as under this Act model bye laws have to be framed by Govt for adoption of the Mcities with or without modifications, & the general on whether octroi may be levied on petrol in spite of GO dated 21/28 May 1937, may be considered while framing the model bye laws

DCS
5/8

Hon L SG)

Orders already Communicated on 7th inst to Transport Cell 7601

7730
mc

Levy & action taken on Petrol in the Chhaldiran Valley

27) This file was linked to the Hansard file bearing DN 7601/and orders have been passed by the Hon Minister for LSG on the Hansard AC regarding the levy & duty on Petrol. The file is restricted for orders with reference to para 23 and 26 supra

(Please see)

(28 Secy LSG) 13/9/15

29) If approved a reply will be sent that having regard to the changed conditions and the increased burden falling on the Hlties in regard to maintenance of roads Govt accorded sanction to the levy & collection on petrol by the Chhaldiran Hlty & that the new TM Act empowers such levy & all Hlties

(Hon LSG)

30) 18/9/15

15/9

18/9

18/9

D.T.O

OFFICE OF THE MINISTER FOR LOCAL SELF GOVERNMENT
No 3035
Date 17/9/15

7730/me

Levy of import duty on Coke in Chhaldang State

Submit draft reply for approval

D/
20/3

Issue
A
21/9

2. Messrs The Burmah Shell Oil Storage and Distributing Co of India Bungalow No 51 Dalhousie Square

L 7296/11 92 31-79
Dy L 1051

Intimate that the levy of octroi or octroi in the nature of octroi is not permissible under the

Dept B
21/11

ALL COMMUNICATIONS TO BE ADDRESSED TO THE COMPANY

TELEGRAMS BURMAHSHEL

BURMAH SHELL

OIL STORAGE & DISTRIBUTING CO OF INDIA LTD

REF C 12.

GENERAL & REVENUE SECRETARIAT
14 FEB 1951
7730
U I PA BRANCH

BUNGALOW NO 51
BELGAUM

6th February, 1951

The Secretary to the Government of Mysore,
Local Self-Government Department,
BANGALORE

Sir, ML 92-51-49

LEVY OF OCTROI DUTY ON PETROL IN THE CHITALDROOG TOWN MUNICIPALITY

We write to invite attention to Government Order No L 15324-5/MI. 59-47-37 dated the 31st March, 1948, sanctioning the levy of Octroi duty, among other articles, on petrol at two annas per gallon imported into the Municipality of the Chitaldrug Town Municipality and to state that the Municipal Council have been collecting the same from 1-7-1948 We wish to point out that this levy is opposed to the provisions of Government Order No L 8509-22-ML 68-36-91, dated 21st - 28th May 1937, according to which the levy of Octroi was ordered to be abolished in all the Municipalites - wherever they were in force - in the State with effect from 1-7-37 We are unable to understand how, contrary to the letter and spirit of the Government Order dated 21-28th May 1937, the levy of this duty was sanctioned in the Chitaldroog Town Municipality Reference is specially invited to the following paragraphs of the said Government Order, which clearly set forth the reasons which led the Government to direct the abolition of the said duty :-

*Con foted

"The abolition of the levy of Octroi on petrol was one of the questions discussed at the meeting of the Standing Committee for Local Self-Government held on 29th April,1935 The Committee was of the opinion that there

D O 17 10 Pkt 500 11 47

(contd)

WD 06819—GPB—25 000—26 7 49

For Secretary to Govt
L S G Department

BURMAH SHELL BELGAUM

was not much justification for levying Octroi on petrol which had already been taxed very heavily, that the levy would affect the general public indirectly, as they would have to pay higher rates for making use of the motor vehicles and that motor bus traffic also stood to suffer by the levy It was decided by the Committee that petrol should not be allowed in future to be subjected to Octroi duty in the Municipalities and that as regards the Municipalities which were already levying the duty, the question whether the levy is to be continued or not should be examined "

"Since then the final abolition of the Octroi duty on petrol throughout the State has been urged mainly on the grounds that motor vehicle owners who have to buy petrol in Municipalities charging Octroi thereon are at a disadvantage as compared with those in other parts of the State, and that the levy affects the petrol trade in the State Government observe that petrol is already taxed heavily for revenue purposes by the Government of India and consider that its further taxation by Municipalities in the State is inexpedient and is not in consonance with the principle of uniform and equal taxation underlying the Mysore Motor Vehicles Taxation Regulation "

The same grounds on which the abolition of the duty was ordered in 1937 and which held good at the time its levy was sanctioned in the year 1948 in the case of Chitaldrug Town Municipality continue to be in force with greater emphasis today In the circumstances the Company requests the Government to reconsider their Order dated 31/3/1948 and direct the abolition of the Octroi on petrol now levied and collected in the said Municipality, especially as the same is not levied in any of the other Municipalities in the State

D O 9 3 Pkt x 500 12 48

(contd)

WD 06819—GPB—25 000—26 7

for Secretary to Govt
L S G Secretary
R/57 L S G Department

It will not be out of place to mention here the opinion of the Motor Vehicles Taxation Enquiry Committee appointed by the Government of India in this respect This Committee has, after careful deliberation, recommended the abolition on petrol of all local taxes like Octroi duties, terminal taxes etc which are more vexatious than productive and has suggested that local bodies might be compensated by a small road cess on land revenue and by suitable grants-in-aid from out of State Funds The Government may kindly give their careful consideration to the above aspects of the question and sanction the relief urgently needed in this respect by abolishing, according to their Order dated May 1937, the levy of Octroi on petrol levied in the Chitaldrug Town Municipality. The provisions of the above G O. may also kindly be arranged to be enforced strictly in future The amount collected by the Municipal Council from our petrol dealers from 1st July 1948, contrary to the aforesaid G O.,may also be ordered to be refunded to them whereupon arrangements will be made for refunds to be given to purchasers on the basis of records of sales maintained by the dealers.

We solicit the favour of early orders in the matter.

Yours faithfully,

FOR BURMAH-SHELL
OIL STORAGE & DISTRIBUTING CO OF INDIA, LTD

SLTW/SSP

D O 9 8 Pkt x 500 11 47

WD 06819—GPB—25 000—26 7 49

For Secretary to Govt
~~L S G Secretary~~
L S G Department

G R S App F G -

GENERAL AND REVENUE SECRETARIAT

(*Continuation sheet draft form*)

Ml 92-51-50

L 3524/Ml 92-54 57
13 7 51

To

Messrs The Burmah Shell
Oil Storage & Distribution Co
of India Ltd
Bungalow
~~Bangalore~~ No 51
Belgaum

Sir,

~~In Continuation~~

Subl Levy of octroi duty on petrol
in the Chitladurg town limits

In continuation of this office letter
No L 361 dated 18th April 1951 on the
above subj I am directed to inform you
that provision has been made in
the new Bill ~~act~~ 1951 to levy octroi duty
for petrol at the rate of ~~Rs 2~~ two annas per
gallon but it has not yet been
promulgated in to law. Its enactment
may therefore be awaited

Yours faithfully

For Secretary to Govt
~~L S G Section~~
L S G Department

By 57

WD 06819—GPB—25 000—26 7 49

G R S App F G 3

GENERAL AND REVENUE SECRETARIAT

(*Continuation sheet draft form*)

L 361
19 4-51

Subject - Levy of octroi duty on petrol in the Chitaldrug Town Municipality

To

~~Asst~~

Burmah Shell
Oil Storage & Distribution Co
of India Ltd,
Bungalow No 51,
Belgaum

Sir

With reference to your letter No ~~RET~~ C 12 dated 6th Feby 1957 on the subject noted above, I am directed to state that the contentions referred to in your letter dated 6-2-57 are under examination the question of refund of the amount collected by the Mcty, I am to state that this does not arise as ~~the~~ octroi

As regards

was levied by the Relief of
Plaining London 3000 for
the levy

fwd 27 R Clerk
Bijapur L 3286/ML 92-51-79
4 19-5
Subject - Levy of Octroi duty- on
Petrol in the Chikodi
town municipality-

To

The Messrs The Burmah Shell
Oil Storage and
Distribution Co of
India Ltd
Bungalow No 51
Belgaum

Sir

With reference to the Correspondence
Ending with this Office letter no
L 3524/ML 92-51-50 dt 13 7 51.
on the above subject I am directed
to state - that having regard to the
changed Conditions and the increased
burden falling on the Municipality in regard
to the maintenance of roads for
accorded sanction to the levy of
Octroi on petrol by the Chikodi
Mfg- and that the new T M Act
of 1951 empowers such levy of by
all municipalities

Yours faithfully
[illegible] 21/9
Dy to D [illegible] Sec to Govt